

Montana State Legislature

2015 SESSION

ADDITIONAL DOCUMENTS

Business Page

[Signed by Chairman]

Roll Call

Standing Committee Reports

Tabled Bills

Fiscal Reports

Rolls Call Votes

Proxy Forms

Visitor Registrations

***Any other documents, which were submitted after the committee hearing has ended and/or was submitted late [within 48 hours], regarding information in the committee hearing.**

***Witness Statements that were not presented as exhibits.**

Montana Historical Society Archives

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2015 Legislative

E-Document Specialist Susie Hamilton

BUSINESS REPORT

**MONTANA SENATE
64th LEGISLATURE - REGULAR SESSION**

SENATE EDUCATION AND CULTURAL RESOURCES COMMITTEE

Date: Wednesday, February 11, 2015
Place: Capitol

Time: 3:00 PM
Room: 422

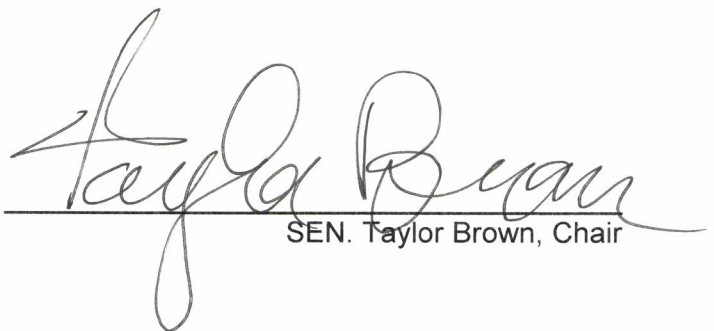
BILLS and RESOLUTIONS HEARD:

SB 250 - Expand school transportation funding for academic summer school - Sen. Jill Cohenour
SB 252 - Revise K-12 funding laws related to oil and natural gas production taxes - Sen. Llew Jones
SB 260 - Revise education funding laws related to oil and gas production taxes - Sen. Frederick (Eric) Moore

EXECUTIVE ACTION TAKEN:

SB 213 Do Pass
SB 240 Do Pass
SB 255 Do Pass
HB 248 Be Concurred In

Comments:


SEN. Taylor Brown, Chair

EDUCATION AND CULTURAL RESOURCES

DATE: 2/11/15

[illegible]



SENATE STANDING COMMITTEE REPORT

February 11, 2015

Page 1 of 1

Madame President:

We, your committee on **Education and Cultural Resources** report that **Senate Bill 213** (first reading copy -- white) **do pass**.

Signed: _____

Senator Taylor Brown, Chair

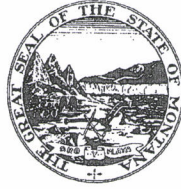
- END -

Committee Vote:

Yes 9, No 0

Fiscal Note Required ☐

SB0213001SC.spt



SENATE STANDING COMMITTEE REPORT

February 11, 2015

Page 1 of 1

Madame President:

We, your committee on **Education and Cultural Resources** report that **Senate Bill 240** (first reading copy -- white) **do pass**.

Signed: _____

Taylor Brown
Senator Taylor Brown, Chair

- END -

Committee Vote:

Yes 9, No 0

Fiscal Note Required X

SB0240001SC.spt



SENATE STANDING COMMITTEE REPORT

February 11, 2015
Page 1 of 1

Madame President:

We, your committee on **Education and Cultural Resources** report that **Senate Bill 255** (first reading copy -- white) **do pass**.

Signed: _____

A handwritten signature in cursive script, appearing to read "Taylor Brown".

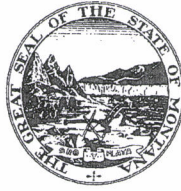
Senator Taylor Brown, Chair

- END -

Committee Vote:

Yes 9, No 0

Fiscal Note Required X



SENATE STANDING COMMITTEE REPORT

February 11, 2015

Page 1 of 1

Madame President:

We, your committee on **Education and Cultural Resources** report that **House Bill 248** (third reading copy -- blue) **be concurred in.**

Signed: _____

Taylor Brown
Senator Taylor Brown, Chair

To be carried by Senator Frederick (Eric) Moore

- END -

Committee Vote:


Yes 9, No 0

Fiscal Note Required ☐

HB0248001SC12453.spt

SENATE PROXY

I, Senator MARY S. MOE, hereby authorize Senator Jill Cohenour to vote my proxy before the Senate Education and Cultural Resources meeting held on _____, 2015.


 Senator Signature

1-6-2015
Date

Said authorization is as follows: *(mark only one)*

- ☐ All votes, including amendments.
- ☐ All votes as directed below on the listed bills, and all other votes.
- ☐ Votes only as directed below.

[illegible]

MONTANA STATE SENATE
Visitors Register
SENATE EDUCATION AND CULTURAL RESOURCES COMMITTEE

Wednesday, February 11, 2015

SB 252 - Revise K-12 funding laws related to oil and natural gas production taxes

Sponsor: Sen. Llew Jones

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Shane Gonder	Richland Co.	X		
DUANE MITCHELL	Richland Co.	X		
Stephanie Velhoseet	Richland Co	X		
Pat Fudot	SAM	✓		
Jule Walker	Plevna Schools	X		
Jim Hansen	Broadus Schals	X		
Casey Klasna	Terry Schools	X		
LARRY CROWDER	Culbertson Schools	X		
DANIEL FARR	Sidney Schools	X		
Tony Holecek	Westby Schools	X		
Sandy Welch	NE Rural Schools	✓		
Boren H. Young	Richland County	X		
LANCE MELTON	MTSBA	X		
Marco Ferro	M&A-MFT	X		
Madalyn Qualan	OPI			X
E. J. Redding	Bainville Public Schools	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE EDUCATION AND CULTURAL RESOURCES COMMITTEE

Wednesday, February 11, 2015

SB 260 - Revise education funding laws related to oil and gas production taxes

Sponsor: Sen. Frederick (Eric) Moore

PLEASE PRINT

Name	Representing	Support	Oppose	Info
Duane Mitchell	Richland	X		
Shane Gorder	Richland Co.	X		
Stephanie Verhaeghe	Richland Co.	X		
Jule Walker	Herna Schools	X		
Tim Hansen	Broadus School	X		
Casey Klasna	Terry	X		
LARRY Crowder	Culbertson Schools	X		
Daniel Farr	Sidney Schools	X		
Tony Holecck	Westby Schools	X		
Pat Audet	Stam	✓		
Sandy Walsh	NE Rural Schools	✓		
Woren H. Young	Richland County	X		
LANE MELTON	MTSBA	X		
Madalyn Qualan	OPI			X
E. J. Redding	Bainville Public Schools	X		
Susie Hamilton	Self	X		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

Date: 2/11/15

Bill No. SB 106



opi.mt.gov

Montana
Office of Public Instruction
Denise Juneau, State Superintendent

Office of Public Instruction
P.O. Box 202501
Helena, MT 59620-2501
(406) 444-3395
(800) 231-9293
(406) 444-0169 (TTY)
opi.mt.gov

Senator Pat Connell,
Montana Legislature

February 6, 2015

Dear Senator Connell,

We want to assure all interested parties, that if SB106 were to become law the Office of Public Instruction would faithfully execute its responsibility to ensure that all applicants would be given an equal opportunity to qualify for funding under the program outlined in your bill.

We have heard that a specific program is the target of any funding related to this bill and it would not be proper for this agency to ignore any other candidates that would express interest in this program and we believe that would be several and that competition would be stiff.

Respectfully,

Dennis J. Parman
Deputy Superintendent
Office of Public Instruction
P.O. Box 202501
Helena, MT 59620-2501
406-444-5643
dparman@mt.gov

February 15, 2015

Montana State Legislature
Senate Committee on Local Government
P.O. Box 200400
Helena, MT 59620-0400

*sent via personal delivery
by Greg Van Horssen*

RE: SB 303, Rural Fire District Laws – NAMIC's Written Testimony in Opposition

Dear Senator Taylor, Chair; Senator Buttrey, Vice-Chair; Senator Pomnichowski, Vice-Chair;
and honorable members of the Senate Committee on Local Government:

Thank you for affording the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to the Senate Committee on Local Government for the February 16, 2015, public hearing.

NAMIC is the largest property/casualty insurance trade association in the country, serving regional and local mutual insurance companies on main streets across America as well as many of the country's largest national insurers.

The 1,400 NAMIC member companies serve more than 135 million auto, home and business policyholders and write more than \$196 billion in annual premiums, accounting for 50 percent of the automobile/homeowners market and 31 percent of the business insurance market. NAMIC has 134 members who write property/casualty insurance in the State of Montana, which represents 40% of the insurance marketplace.

Through our advocacy programs we promote public policy solutions that benefit NAMIC companies and the consumers we serve. Our educational programs enable us to become better leaders in our companies and the insurance industry for the benefit of our policyholders.

NAMIC's members appreciate the importance of having properly funded rural emergency response services for the protection of citizens of the State of Montana. However, NAMIC is concerned about SB 303, because it is a form of "hidden taxation" and "double taxation" that is unfair to insurance consumers and tax payers, who expect that their state taxes will be used to pay for essential government functions, including public safety services like responding to traffic-related emergencies. NAMIC believes that *public services* should be funded through *public channels*, not by way of a "hidden tax" in the guise of a state mandated fee imposed on auto insurance consumers.

Additional Documents

SENATE (Local Government)

Date:

Ref No.

If additional funds are needed by rural fire districts, this is a public policy issue that needs to be properly evaluated, debated, and decided upon in a manner consistent with how other state, county, and municipal public service projects are addressed. This “back door” approach to funding a public safety service via a “hidden tax” would establish a troubling legal precedence, because it will encourage other public service programs to “by-pass” the public review and approval process for taxation, and lead them to directly pursue funding through “hidden taxation” channels.

NAMIC is also concerned that the proposed auto accident response fee or “crash tax” is a form of “double taxation”, because state, county, and municipal taxes are specifically collected to pay for public safety services, and citizens of the state have a reasonable expectation that they will not be taxed *again* for public services they have already paid for via their property taxes and other state, county, and municipal taxes. If rural fire districts need more funding, they should deal with the issue transparently and candidly with full disclosure to the citizens of the state and have the funding issue addressed through the current tax structure, not by way of a “hidden-double tax”.

Additionally, NAMIC is concerned that the proposed legislation discriminates against and punishes auto insurance consumers, because SB 303 only requires auto insurance consumers to pay for the auto accident response fees. From a societal fairness standpoint, why should only law-abiding motorists pay the auto accident response fees? How is it sound public policy to excuse uninsured motorists (law-breakers) from having to pay their fair share of auto accident response fees? Should society be financially reward driving without state mandated auto insurance?

NAMIC appreciates the fact that many people don’t think about how burdening auto insurance companies adversely impacts auto insurance consumers, but no business, including auto insurers, can incur a substantial new expense and not have it adversely impact the price of goods and scope of services provided to consumers. The proposed auto accident response fee would be a significant insurance rate cost-driver that could adversely impact affordability of auto insurance for consumers.

Further, SB 303 is inconsistent with the national trend on prohibiting “hidden taxation” and “double taxation” of citizens. Thirteen (13) states currently have laws that specifically prohibit or severely restrict the imposition of auto accident response fees. Moreover, consumer sentiment, understandably, is strongly in opposition to the imposition of “fees” on *private* businesses that are really “pass-through taxes” to fund *public* safety services, especially “fees” imposed on insurance consumers who are required to procure state mandated auto insurance coverage.

In addition to the aforementioned conceptual public policy concerns with SB 303, NAMIC also has several technical concerns with SB 303. First, there is no statutory guideline for when law enforcement should request district personnel to respond to a traffic-emergency. Since every response is a “money-maker” for the district, there is an economic incentive for district personnel to be called out to all auto accidents, whether they are truly needed or not. One could always justify the dispatch of the district personnel as a reasonable public safety precaution. Additionally, the proposed legislation does not provide any explanation or justification as to why district

personnel need up to \$1000.00 to respond to a traffic accident, nor are there any guidelines pertaining to how the accident response fee costs will be determined and justified as a necessary public safety measure. NAMIC is concerned that this funding proposal could end up becoming a “blank check” for local fire districts. Delegating broad price setting authority to boards of county commissioners without any legislative parameters is concerning. There must be reasonable cost-containment protocols in place to prevent this auto accident response fee or “crash tax” from becoming a misused funding source.

Additionally, NAMIC is concerned that the proposed fee is “per incident” – what does that mean? Is “per incident” the same as “per accident”? One could argue that an auto accident could have multiple traffic emergency incidents if there are multiple vehicles involved in the accident. So could one auto accident generate multiple “crash tax” fees? Also, how will the “crash tax” be allocated among multiple insured motorists? Will it be equally split or assessed to the at-fault driver? What if there is comparative fault among drivers? Will law enforcement make the at-fault determination, which is problematic, or will it be left to the judicial system? This proposed legislation is rife with legal and procedural issues that make this public safety funding proposal unwise and impractical.

Consequently, NAMIC respectfully requests that the Senate Committee on Local Government **VOTE NO on SB 303 – funding of public safety services should be addressed in public by taxpayers, not imposed in private on auto insurance consumers.**

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you would like to discuss NAMIC’s written testimony.

Respectfully,



Christian John Rataj, Esq.
NAMIC – Senior Director of State Affairs
Western Region

Nowakowski, Sonja

From: Hagengruber, John -FS <jhagengruber@fs.fed.us>
Sent: Friday, February 13, 2015 3:57 PM
To: Nowakowski, Sonja
Subject: Fwd: Acres treated

Additional Documents
SENATE: Natural Resources
Date: 2 / 9 / 15
Bill No. SB 215

Sonja - verified by our regional folks, the figure we provided is the number of acres treated

John Hagengruber
Montana Capital City Coordinator (State Liaison)
Forest Service
Northern Region

p: 406-444-4490
c: 406-439-0225 (*preferred contact number*)
f: 406-444-6721
jhagengruber@fs.fed.us / jhagengruber@mt.gov
c/o Montana DNRC HQ Bldg; 1625 11th Ave.
Helena, MT 59620
www.fs.fed.us

Caring for the land and serving people

Begin forwarded message:

From: "Dawe, Christine -FS" <cdawe@fs.fed.us>
Date: February 13, 2015 at 3:17:23 PM MST
To: "Hagengruber, John -FS" <jhagengruber@fs.fed.us>
Subject: Acres treated

Christine Dawe
Director, Renewable Resource Management
Northern Region
USDA Forest Service
Missoula, MT
406-329-3604
406-370-8865 (cell)

Nowakowski, Sonja

From: Hagengruber, John -FS <jhagengruber@fs.fed.us>
Sent: Friday, February 13, 2015 2:44 PM
To: Nowakowski, Sonja
Subject: RE: Information requested (#1)

Sonja – Actually, the information that was provided at the WPIC meeting came from Tom Schmidt, our Deputy Regional Forester, not me. The information I'm providing came this week from our Director and Deputy Director of renewable resources (i.e. the folks who run the timber program). Mr. Schmidt's answer at WPIC focused only on the projects which were being analyzed under the Farm Bill categorical exclusion authority, basically a subset of projects, not the broader accounting of other projects slated for implementation (either through non Farm Bill CEs, EAs, or EISs) in the 5.1 million acres of I&D designation.

As to one of the Senator's questions, the method of treatment would be mechanical harvest (i.e. loggers), hence the reference to the commercial volume generated. That's not to say that we wouldn't follow up after logging is finished to burn slashpiles. That's common practice.

I am waiting to hear back on the Senator's other question, but initial take is that the figures provided by my Regional Office are actual acres treated.

John

From: Nowakowski, Sonja [mailto:snowakowski@mt.gov]
Sent: Friday, February 13, 2015 2:13 PM
To: Hagengruber, John -FS
Subject: FW: Information requested (#1)

From: Fielder, Jennifer (Sen)
Sent: Friday, February 13, 2015 2:13 PM
To: Nowakowski, Sonja; ripley@3rivers.net; Kaufmann, Christine (Senator); Duane Ankney; senatorbrenden@gmail.com; connell4sd43@yahoo.com; senatorhamlett@gmail.com; brian@hovenequipment.com; Cliff Larsen; Phillips, Mike
Cc: Fridrich, Taylor
Subject: RE: Information requested (#1)

Sonja,

Please thank Mr. Hagengruber for following up with the information. It was I who asked him the question specific to the amount of acres that will be treated in 2015 under the new provisions of the farm bill. In a WPIC meeting, I believe in Sept, we were told it would be an estimated 4,000 to 5,000 acres if all goes well (no litigation, and proper funding).

This response from Mr. Hagengruber includes acreage of project areas, and it sounds much better than what was presented in WPIC, which I hope is true. But to be clear, I would like to know how many acres will actually be treated, and whether that be by fire use or timber production. It is my understanding that the acreage of Project Areas and actual acres treated within a project area could differ significantly.

Could you please check for clarification on this point?

Jennifer
Sen Jennifer Fielder
Montana State Senate - District 7
Visit me at: www.jenniferfielder.us

From: Nowakowski, Sonja
Sent: Friday, February 13, 2015 11:42 AM
To: ripley@3rivers.net; Kaufmann, Christine (Senator); Duane Ankney; senatorbrenden@gmail.com; connell4sd43@yahoo.com; Fielder, Jennifer (Sen); senatorhamlett@gmail.com; brian@hovenequipment.com; Cliff Larsen; Phillips, Mike
Cc: Fridrich, Taylor
Subject: FW: Information requested (#1)

Chairman Vincent asked that this information be provided to the committee.
Sonja

From: Hagengruber, John -FS [<mailto:jhagengruber@fs.fed.us>]
Sent: Thursday, February 12, 2015 11:17 AM
To: Nowakowski, Sonja
Cc: Kolman, Joe
Subject: Information requested (#1)

Sonja –

At this Monday's hearing, I believe it was either Senator Fielder or Chairman Vincent who asked me to provide information as to implementation of the Farm Bill in Montana by the Forest Service. Could you please share the following information with them as well as the other committee members? The information below came from the folks in my regional office who administer the timber program across the Region.

*All of the B-D, Bitterroot, **Most of the Custer-Gallatin**, Flathead, Helena-Lewis/Clark, Kootenai and Lolo timber sales or stewardship contracts are within the Sec. of Agriculture's Designated Insect & Disease areas for the Fiscal year 15 program.... we can only give you an estimate of acres as many of the sales have yet to be sold. Estimates are probably on the conservative side. Volumes are more accurate and represent what each Forest displayed on their periodic sale announcement:*

- *FY 15 project acreage and volume total within Designated I & D areas under the Farm Bill: 17,000 acres; Volume approximately: 130 MMBF (million board feet)*
- *FY 16 Farm Bill Projects: The following projects are using Farm Bill 2014 NEPA Authorities and are anticipated to be implemented next FY. Most if not all will use the legislated 3,000 acre (maximum) CE:*
 - *Boulder Lowlands (B-D), Westside, Showdown Hwy 89 (Lewis-Clark); Helwick (KTN), Upper Sheep Creek: Total Acres: 2,580; anticipated Volume: 14 MMBF*
- *FY 16 Regular Program - Additionally, because of the location of the designated I & D areas and the Forest out-year program, we would anticipate additional acres and volume similar or slight increase as represented by the FY 15 program above, using regular NEPA authorities.*

As most, if not all of the committee members understand, the Forest Service faces a challenging environment with regard to litigation of our projects. Just as with the recent state timber projects which have been affected by the HCP litigation, litigation similarly impacts our ability to quickly implement

projects since it takes time to work through the courts. However, the Forest Service has received favorable rulings on 17 of the last 19 challenges to Forest Service projects in Region One, and this past year (FY14) the Forest Service Region One met our nationally assigned timber target of 570,000 CCF of timber volume sold. This recent success is due in part to the partnership which we are forging with the State of Montana under the Master Stewardship Agreement and certainly would not be possible without our partners in the wood products industry here in Montana.



John Hagengruber
Montana Capital City Coordinator (State Liaison)

Forest Service
Northern Region

p: 406-444-4490

c: 406-439-0225 (primary contact number)

f: 406-444-6721

jhagengruber@fs.fed.us / jhagengruber@mt.gov

Montana DNRC HQ Bldg; 1625 11th Ave.

Helena, MT 59620

www.fs.fed.us



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To: Senator Ripley

Date: 2/11/15From: Tim Baker, Governor's Office *TB*Bill No. SB 261

Re: Questions regarding SB 261

Date: February 18, 2015

What does a sage-grouse ESA listing determination mean for Montana's Sage-grouse Stewardship Act and Habitat Conservation Program?

It depends. A species can be listed as threatened or endangered under the Endangered Species Act (ESA), and the difference is significant.

- **Threatened** – a species that is likely to become endangered in the foreseeable future throughout all or a significant portion of its range.
- **Endangered** – a species that is in danger of extinction throughout all or a significant portion of its range.

A **threatened** designation allows the U.S. Fish and Wildlife Service to determine which of the protections in the ESA apply. They have greater flexibility to tailor recovery for a given species and situation, including the option to issue special regulations under Section 4(d) of the ESA that can allow for management under a state-based conservation plan or other approaches that support and allow for species recovery. If sage-grouse are listed as **threatened**, the State of Montana can request a Special Rule under Section 4(d) of the ESA to allow for the State to continue managing the species under Montana's plan.

An **endangered** designation means the full weight of the ESA will be brought to bear in Montana. If sage-grouse are listed as **endangered**, the U.S. Fish and Wildlife Service will assume authority for the recovery of the species. It is likely that Montana's Stewardship Act and related Habitat Conservation Program would be displaced by federal action. However, the listing decision may be reviewed after 5 years, so the State *might want to consider continuing the Program in order to impact the next decision*.

What is the total amount of money that the State has spent on Sage-grouse conservation?

- \$1.2 million went to private landowners for 30-year sagebrush leases, 2007 – 2009 (FWP). Landowners agreed not to eliminate sagebrush on the almost 200,000 acres enrolled.
- \$4.8 million was spent by FWP on sage-grouse monitoring, research, and planning between 2000 and 2014.
- In addition, FWP spends funds to provide or enhance wildlife habitat that may provide benefits to sage-grouse.

Also:

- \$8.3 million (federal) was spent by Natural Resource Conservation Service (NRCS) Sage-grouse Initiative in 2010 and 2011 on over 240,000 acres in Montana. Funding under this program has continued 2012 – present. (Note that NRCS spent \$52.7 million in Wyoming in 2011 alone because they have significant non-federal match).

Add Doc